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***Noncustodial Parents: What's Next in Wisconsin?
Strengthening Families Through Work Opportunities***

*A White Paper Prepared for the Wisconsin
Department of Workforce Development*

by Jay Hein

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Hudson Institute
Welfare Policy Center

SOLVING TOMORROW'S PROBLEMS TODAY

Noncustodial Parents: What's Next in Wisconsin? Strengthening Families Through Work Opportunities

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I. INTRODUCTION

The abundant success of the early implementation of welfare reform has done much to foster great optimism about government's ability to help the poor help themselves economically. To be sure, the final verdict concerning work-based reform has not yet been delivered, and it will remain unsettled until reform withstands the throes of an economic downturn. However, all but the most severe critics acknowledge that the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) has exceeded expectations, and its main welfare reform program, Temporary Assistance for Needy Families (TANF), will likely be reauthorized by Congress with broad bipartisan support.

That said, a growing percentage of Americans are recognizing that our true welfare is not measured in purely economic terms, but along social and family dimensions as well. In response to growing numbers of single-parent households, in which most low-income children reside, increased attention is being directed toward noncustodial parents (NCPs). A growing body of research indicates that those children deserve (indeed, urgently require) the emotional and financial support of two parents to improve their present condition and future life prospects.

The national conversation about NCPs often refers to men, who comprise an overwhelming percentage of the NCP population. In response, countless fatherhood programs have emerged over the past decade. However, this practice of focusing only on the men who are NCPs fails to acknowledge the 17 percent of NCPs who are women. Although at times this paper focuses on father-specific issues, it also deals with NCPs generally. The author recommends that any new research related to NCPs in Wisconsin include both male and female NCPs.

Fatherlessness has become one of our society's most troubling trends. Today, over 24 million children live in homes without their fathers, compared to fewer than 10 million in 1960. This pattern is most dramatic in the African American community, where six out of ten children presently live in households from which the father is absent.

The National Fatherhood Initiative (NFI) reports that in addition to the physical absence of more fathers from their homes, increasing numbers of in-home fathers are psychologically absent from the lives of their children. A recent Gallup poll found 50 percent of adults agreed with the following statement: Fathers today spend less time with their children than their fathers spent with them.

Research indicates that increased fatherlessness has brought with it many negative socioeconomic consequences. Most serious, nearly three in four American children living in single-parent families will experience poverty before they reach age eleven. This compares to fewer than one in five children in two-parent households with parents living below the poverty threshold. NFI reports that children living in father-absent households are also more likely to fail in school and become involved with the criminal justice system.

Changes are afoot at the federal level. President Bush and a wide bipartisan group of legislators support passage of legislation that would increase funding for state and local fatherhood programs and services. In addition, the U.S. Department of Health and Human Services has included \$64 million in new fatherhood program funding in its FY 2002 budget request, ensuring that fatherhood issues will remain a critical policy domain leading up to the emerging TANF reauthorization debate. These developments have led many policymakers and practitioners to advocate that new and more

Why Fathers Matter

When fathers are actively involved, children:

- Do better in school
- Have better social skills
- Are less prone to emotional and disciplinary problems
- Are more likely to become good parents themselves

The poverty rate for children in two-parent families is 8.4%, compared to 31.3% in divorced families, and 64.1% in never married families.

Source: *Restoring Fathers to Families and Communities: Six Steps for Policymakers.*

effective policies and services for low-income fathers should be a high priority for the next round of welfare reform. However, there is less agreement regarding the shape of those policies and services.

Owing to its history and structure, the Wisconsin Department of Workforce Development (DWD) is uniquely positioned to assume a leadership role in reform of policies for NCPs. Few, if any states, have anything like Wisconsin's prolific series of innovations in programs dealing with child support and NCPs. From the state's Children First program to the Children Upfront program of Goodwill Industries of Southeastern Wisconsin, the Badger State's experiments have been both wide-ranging and diverse. Indeed, Wisconsin's innovations have been both public- and private-sector-led—an ongoing mix of policies and services that is state and local in scope.

At the state level, numerous agencies, such as the Department of Corrections, Veterans Affairs, and the Department of Health and Family Services, offer services to low-income NCPs. DWD, however, has the most extensive set of responsibilities related to this population group. In fact, it is one of the only state agencies in the nation that administers child support, welfare reform, and workforce services.

Wisconsin has long been the nation's leader in social policy innovation, and it is natural for it to become one of the early designers configuring NCP policies and services in the next phase of welfare reform. Such a process requires careful planning, bold experimentation, and timely correction of what doesn't work and replication of what works well.

The purpose of this white paper is to ignite the process of configuring NCP policies and services as the state moves into the next phase of welfare reform. The first half of the paper describes the current landscape of NCP reform, including the barriers to meeting NCPs' needs effectively and the perspectives of those affected by the state's NCP policies. The second half of the paper presents challenges facing the state and opportunities for Wisconsin to build upon ten years of policy innovations in order to assume a national leadership role in welfare reform and workforce development policies that are focused on fatherhood and family.

Without prescribing specific solutions, the paper is built upon the premise that enhancing work opportunities for NCPs is the most effective means of improving their children's emotional and financial well-being. Specifically, the paper addresses three themes to guide the next generation of work-related reforms:

- enhancing the economic prospects of low-income NCPs through expanded and improved employment and training services,
- broadening the scope of the child support program to promote services that provide for the emotional and financial well-being of children, and
- strengthening the formation of two-parent families.

II. THE WISCONSIN LABORATORY

A. Leading the Nation, Unfinished Business

According to the 1999 *Map and Track*,¹ Wisconsin's fatherhood² initiatives are among the most innovative and far-reaching in the nation. Further, Wisconsin's broader noncustodial working parent

¹*Map and Track: State Initiatives to Encourage Responsible Fatherhood*, 1999 Edition, National Center for Children in Poverty, Columbia University

initiatives³ are among the oldest in the nation. This combination of breadth and maturity is manifested in a reform package that is both innovative and well-managed.

It is impossible to decouple Wisconsin's fatherhood policy and programs from the state's wider welfare reforms. Indeed, the majority of the state's NCP programs were created specifically as part of the state's broader welfare reform agenda. As with the evolution of welfare experiments that culminated in Wisconsin Works, the success of the NCP programs (described below) should be considered for their cumulative effect.

That said, many existing and new challenges represent the unfinished business of NCP reform. Concluding sections of the paper describe these challenges and pose questions and possibilities for continued improvement of policies, programs and services.

B. DWD's Strategic Advantage

The unusually broad responsibilities of DWD, along with the progressive nature of the state's policymakers and administrators, have resulted in a wide array of programs and services offered by DWD and its local agency counterparts for the NCP population. Key programs that serve NCPs are listed below.

B.1 Children First

Wisconsin's flagship initiative for NCPs, Children First, provides job search assistance, work experience, education and training, and case management to NCPs ordered by the court to participate because they are not able to pay child support owing to unemployment or underemployment. Piloted in 1990 as a welfare reform demonstration project in two counties, the Children First program has since expanded to 43 counties and one tribal agency.

To be eligible for an order to participate, NCPs must meet the following conditions:

- Have an actual weekly gross income that is minimum wage or less or have earnings less than their ability to earn, as determined by the court;
- Work less than 32 hours per week and not participate in an employment or training program required by the government;
- Have a order for current support;
- Live in a county or with a tribe that operates a Children First program.

To complete the program successfully, an NCP must either pay child support for three consecutive months on time and in full, or complete 16 weeks of assigned program activity.

The budget for Children First in each year of the state fiscal biennium 1999–01 is \$1.14 million, which at the budgeted level of up to \$400 per enrollment provides funding for services to 2,850 NCPs per year. In calendar year 2000, the enrollment increased to 4,958, more than two thousand participants beyond the reimbursement level. (Other funding sources are used to serve these people.)

²Fatherhood initiatives are those focused on policies and practices that are responsive to the complex demographics of fatherhood and that promote responsible fatherhood regardless of income or marital status.

³Noncustodial working parent initiatives are aimed at providing the motivation, skills, and services to noncustodial parents who are unemployed or underemployed, resulting in a relationship that provides support, both financial and emotional, to their children.

B.2 *Welfare-to-Work (WtW)*

Since 1998, the federal Department of Labor has provided two Welfare-to-Work (WtW) grants, each lasting up to five years, to states to provide employment, training, and support services to hard-to-serve populations, with a new focus on NCPs. Wisconsin directs the majority of its WtW funds to provide job readiness and job retention services to NCPs. The state offers a full range of employment services, such as work experience, wage subsidies, job readiness, and placement and postemployment services. Expected outcomes include an increase in child support collections for NCP participants.

From the program's inception through mid-2000, fewer than 300 NCPs had received services through WtW. This low level of participation was an experience common to most states, largely because of the especially rigid eligibility criteria in the original legislation and the voluntary nature of participation. In response, the federal government expanded eligibility criteria, effective July 1, 2000, and all but one of the states' Workforce Development Boards (local entities responsible for administering WtW funds) have renewed efforts to provide outreach to NCPs, including partnering with state and local correctional facilities. These changes were largely responsible for the increase in NCP participation in WtW programs by a factor of four (nearly 1,200) in 2000.

To be eligible for WtW, an NCP must:

- Be either unemployed, underemployed, or having difficulty making child support payments;
- Have a minor child who is eligible for or receiving an assistance program (TANF, food stamps, SSI, Title XIX, or CHIP), have a minor child who received TANF within the preceding year, or have a minor child whose custodial parent is a long-term TANF recipient;
- Sign a Personal Responsibility Contract to commit to cooperate in efforts to establish paternity and a child support order, pay child support, and participate in the services that will be provided.

Wisconsin's WtW allocation was \$12.7 million in federal fiscal year (FFY) 1998 and \$12.0 million in FFY 1999. The Governor has discretion to target 15 percent of the formula grant funds toward special populations or projects, including programs for NCPs. Governor Thompson set aside a significant portion of these revenues to serve only NCPs, including the following projects: Department of Corrections Nontraditional Opportunities for Work (NOW)⁴ in Milwaukee, FaithWorks, and National Association of Black Veterans (NABVets). In addition, two Governor's Discretionary Projects served NCPs among other low-income population groups: Apprenticeship and Southeast Asian services.

In addition to the formula grant, the following agencies provide NCP services under a WtW competitive grant directly from the federal Department of Labor: Milwaukee Private Industry Council, UMOS (United Migrant Opportunity Services), and the Institute for Responsible Fatherhood and Family Revitalization.

B.3 *Workforce Attachment and Advancement (WAA)*

The TANF Workforce Attachment and Advancement (WAA) program was launched in January 2000 to provide employment and training services for low-income custodial and noncustodial parents. WAA assists low-income families in retaining and advancing in employment whether or not that family was previously on welfare. Participation in WAA is voluntary and the eligibility standards are much broader than in other low-income services programs such as WtW:

⁴Mathematica Policy Research, Inc., is evaluating the Corrections NOW project as part of a national review of select Welfare-to-Work initiatives serving NCPs.

- The custodial and noncustodial parents to be served must have income at or below 200 percent of the federal poverty level (child support payments are subtracted from NCP income to determine eligibility), and
- NCPs must have a minor child who lives in Wisconsin, though the child does not have to be low income. NCPs must also have a child support order in place for at least one child.

In 2000–01, \$19.7 million in TANF funds were made available for the entire WAA program. Both Workforce Development Boards and W-2 agencies administer the programs locally.

B.4 W-2 Noncustodial Parent Program and Food Stamp Employment and Training (FSET) Program

The W-2 Noncustodial Parent program was implemented concurrently with the overall W-2 initiative in September 1997 as part of the W-2 agencies contract. NCPs of children in families that participate in W-2 may receive the following: case management services, job search assistance, job skills training, basic education, referral to community resources, and support for family formation.

Participation in the program is voluntary, and open to all un- or underemployed NCPs who meet the following financial and nonfinancial criteria:

- The NCP must have income below 115 percent of FPL (this is the same as W-2 financial eligibility),
- The custodial parent must be a current participant in W-2 program, and
- A child support order must in place.

The W-2 Noncustodial Parent program is funded through the W-2 budget for services, and is similar to other central W-2 provisions. Because of the relatively small number of W-2 participants receiving cash assistance, the opportunity to serve low-income NCPs through this program is very limited, and only 13 NCPs have been served since W-2 began.

The Food Stamp Employment and Training (FSET) program requirements were modified as part of the PRWORA legislation that replaced Aid to Families with Dependent Children (AFDC) with TANF. The most significant change is that those NCPs who receive food stamps as ABAWDs (Able-Bodied Adults Without Dependents) are required to participate in employment and training services unless they have an exemption because of a disability or lack of transportation, or are working full time. The FSET program provides services similar to the W-2 NCP program, though the FSET program does not distinguish participants' parental status.

B.5 Participation Patterns for Children First, WtW, and WAA

NCP participation in the programs described above is relatively low compared to the number of low-income NCPs in the state, but not insignificant given the relative newness of NCP programs and as a percentage of custodial parents participating in all welfare programs. Moreover, many of the custodial parents being served through W-2, WtW, and WAA also have NCP status for other children. Thus, these programs are serving some NCPs who are not tracked as such.

CALENDAR YEAR 2000 PARTICIPANTS

| Program* | NCP | Custodial Parent | Total |
|--------------------------------------|-------|------------------|-------|
| Children First | 4,958 | 0 | 4,958 |
| Welfare to Work ⁵ | 1,181 | 990 | 2,171 |
| Workforce Attachment and Advancement | 157 | 1,091 | 1,248 |
| Food Stamp Employment & Training | 935 | 422 | 1,357 |

*Participant may be in more than one program.

To determine how best to improve recruitment into these programs, it is necessary to understand the population group the state is attempting to serve. Section III of this paper reports NCP perspectives gleaned from focus groups held in Madison and Milwaukee and describes the demographic characteristics of the NCP population across the United States.

B.6 Team Parenting Waiver Demonstration and Partners for Fragile Families (PFF) Projects

DWD administers two separate, but complementary initiatives in partnership with Goodwill Industries of Southeastern Wisconsin and Metropolitan Chicago, Inc. to test the efficacy of “team parenting” to promote fathers’ emotional and financial involvement in their children’s lives. Team parenting is defined as a mutual commitment by unwed parents to raise their child(ren) as a partnership, including emotional and financial support, even though the parents may reside in separate households. Outcomes expected for both projects include increases in NCP involvement with their children, in paternity and court orders for support, and in child support collections. The first project is called Team Parenting, and the second is Partners for Fragile Families (PFF).

The Team Parenting Waiver Demonstration Project was launched in 1997 as a three-year project. The goals of the project are to promote a two-parent model to increase fathers’ involvement with their children, to facilitate joint parenting agreements, and to increase cooperation with child support enforcement as evidenced by increased paternity establishment, court order establishment, and collections. Participation in the demonstration project is voluntary for NCPs and their counterparts.

The Team Parenting project operates under an annual \$165,000 grant from the federal Office of Child Support Enforcement (OCSE) as one of eight national demonstration sites. Goodwill Industries of Southeastern Wisconsin and Metropolitan Chicago, Inc. provide the required 5 percent match. Now in a twelve-month no-cost extension period and final year, the Team Parenting project enrolled approximately 250 parents over a three-year period.

Two evaluations are underway for the Team Parenting project. The first is a cross-site evaluation conducted by Policy Studies, Inc., and the Center for Policy Research, funded by OCSE. A preliminary report on implementation issues for all of the eight national sites is available on the OCSE web site⁶ and a final report is due in 2003. In addition, Wisconsin has contracted with the Urban Institute to facilitate

⁵This includes participants served through the Milwaukee Workforce Development Board’s competitive grant, received directly from the federal Department of Labor.

⁶See *Responsible Fatherhood Programs: Early Implementation Lessons 6-2000*
<http://www.acf.dhhs.gov/programs/cse/prgrpt.htm>

three focus groups with Wisconsin's project participants and to produce a paper on their findings. The report will be available in 2002.

The Partners for Fragile Families (PFF) initiative is a three-year project, which started on July 1, 2000, and expands the Team Parenting Demonstration Project into Milwaukee County. The project is one of ten projects in the nation. OCSE will provide up to \$999,999 over the next three years, contingent upon Ford Foundation matching funds. The PFF project will also be included in a federally funded cross-site evaluation; however, OCSE has yet to select the evaluation team.

B.7 Other Related DWD Initiatives

The W-2 contract allows agencies to use unspent contract funding for Community Reinvestment activities. Many W-2 agencies are using their Community Reinvestment funds to support programs and services for NCPs in their communities. For example, Douglas County funds a child intervention center for supervised visitation involving NCPs with court orders. Forward Services Corporation in Forest, Oneida, and Vilas counties operates a Fatherhood Support Group and a Fatherhood Mentoring Program. The Mentoring program connects a TANF-eligible father with a community mentor, who coaches him on aspects of fatherhood and offers case management and workshops on job search and parenting.

Other DWD programs provide supplementary services for NCPs, though they do not specify the NCP group as a target population and do not identify them as NCPs in their tracking systems. However, state officials expect that substantial numbers of NCPs are being served through Wisconsin's one-stop career centers, which are among the most developed in the nation. To foster this activity, DWD has sent Workforce Development Boards (WDBs) outreach information on 12,000 NCPs. The WDBs can use this information to recruit NCPs to visit their local one-stop centers for a wide range of vocational and family services.

Additional DWD programs that serve NCPs include:

- W-2 Learnfare and W-2 Minor Parent Services
- Title I of Workforce Investment Act
- Governor's Central City Initiative
- Wisconsin Conservation Corps
- Division of Vocation Rehabilitation Programs

New initiatives continue to emerge. For example, in March of 2001 OCSE awarded \$125,000 grants to the Early Head Start programs of both the Red Cliff Band of Lake Superior Chippewa and the Next Door Foundation, Inc., in Milwaukee to provide fatherhood programs in collaboration with local child support agencies. In March OCSE also awarded two grants to organizations in Milwaukee to promote responsible fatherhood outreach to Hispanic populations; UMOS received \$142,626 and the Christian Family Gathering \$99,895.

In addition to this array of state-sponsored programs and services, Wisconsin possesses an equally large number of private efforts that serve low-income NCPs and their families. These grassroots programs range from fledgling storefront operations to state chapters of the nation's most innovative agencies, such as the Institute for Responsible Fatherhood and Family Revitalization, the Center for Fathers, Families and Public Policy, and the National Jobs Partnership.

B.8 *Child Support Demonstration Pass-Through*

In addition to the work-based NCP programs and services described above, DWD received a waiver from the federal government to pass child support payments received by the state on to the custodial parent when a family is receiving welfare. Wisconsin is the only state to operate a program that passes through to the family all child support paid while not reducing the amount of TANF cash benefit (i.e., it disregards all child support payments in calculating TANF cash assistance). Federal and state law formerly stipulated that any child support received in excess of \$50 would be used to reimburse federal and state costs associated with public assistance.

Wisconsin officials pursued the Child Support Demonstration Evaluation (CSDE) under the premise that passing through all child support received to the custodial family would increase the family's prospects for self-sufficiency and perhaps strengthen ties between NCPs and their children. Given that this is a demonstration project, the federal government required Wisconsin to test their premises through a formal impact study using W-2 cash assistance participants randomly assigned to experimental and control groups.⁷

The final report for the first phase of the CSDE analyzes the effect of the experiment on 15,977 resident mothers and 14,343 couples⁸ (resident mothers and nonresident fathers) for the period September 1, 1997, to July 8, 1998.⁹ Results from this report are positive; nonresident fathers whose child support goes directly to the family are more likely to pay support than fathers whose children will not get all the support they pay.¹⁰ The positive difference was greatest among experimental-group nonresident fathers in those cases where the resident mother was new to the welfare system (58.4 percent of the experimental group made payments, compared to 48.2 percent of control group members).¹¹

As discussed in the evaluation report, the increase in child support payment rates is consistent with the logic of the policy change. Under previous state and federal policy, NCPs of children in families receiving welfare had two options, both of them limited. They could pay child support through the formal system, in which case their children would directly benefit only from the first \$50 of support paid each month. Alternatively, they could avoid the formal child support system, in which case any informal transfers would directly benefit their children, but would not be counted toward their child support obligation. The W-2 full pass-through and disregard policy eliminated an important disincentive to cooperation with the formal child support system, and the results of the evaluation suggest that noncustodial fathers responded

⁷The experimental group received a full pass-through of child support paid while the control group received 41% or up to \$50 of child support paid, whichever was greater.

⁸*W-2 Child Support Demonstration Evaluation Final Report, Volume I: The Effects of the Experiment*, April 2001, Institute on Research and Poverty, University of Wisconsin–Madison, p. 5. The original impact study had 4,000 members in the experimental group and 4,000 members in the control group. The remaining W-2 cash assistance participants were considered nonexperimental but received the full pass-through benefit like the experimental group. Because these two groups were essentially the same, the impact study now includes the nonexperimental group in the analysis of administrative data. The surveys remained limited to the experimental and control groups.

⁹*W-2 Child Support Demonstration Evaluation Final Report, Volume I: The Effects of the Experiment*, p. 17.

¹⁰*W-2 Child Support Demonstration Evaluation Final Report, Volume I: The Effects of the Experiment*, p. 36.

¹¹*W-2 Child Support Demonstration Evaluation Final Report, Volume I: The Effects of the Experiment*, p. 35, Table I.4.1.

positively. This study also provides many valuable insights into the lives of these essentially low-income custodial and noncustodial parents, as discussed later in this paper.

III. NONCUSTODIAL PARENTS: A PROFILE OF CHARACTERISTICS AND CHALLENGES

Many NCPs in Wisconsin are unwilling or unable to fulfill their financial responsibilities to their children. In August 2000 there were over 50,000 NCPs in Wisconsin who owed at least \$500 in arrears for past public assistance payments. In February 2001, a separate report indicates, 90,000 NCPs owed custodial parents \$500 or more in current support payments. In addition, there are over 10,000 births each year where a noncustodial father does not claim paternity. To better understand who these parents are and what their needs might be, the following two sections provide insight into the perspectives and demographics of a Wisconsin and a national sample of NCPs.

A. In Their Own Words: Hearing from the State's NCPs

Hudson researcher Brian Miller conducted focus group sessions at two Wisconsin facilities that serve NCPs and other low-income adults recovering from substance abuse and unemployment. The first session was held at the Community Housing and Services (CHAS) center in Madison on November 8, 2000, and the second at FaithWorks in Milwaukee on January 3, 2001. CHAS provides low-cost single-room residences whereas FaithWorks is a residential program for those who are unemployed and recovering from substance abuse. Employment-related services are provided through a Governor's WtW Discretionary Grant.

Approximately 30 interviewees from both groups participated. The sample was not large, but it did have a diverse cross-section of men, women, married, and never-married. The vast majority of interviewees had a formal child support order in place. The sessions yielded the following key insights¹²:

Dead-Beat Versus Dead-Broke

The focus group participants varied greatly in the magnitude of their emotional and financial contributions to their children. Some saw their children more than once a week, some intermittently, and some not at all. Similarly, the amount of child support paid varied both by participant and within each participant's individual experience. The "dead-beat" and "dead-broke" labels were not static. They applied at one time but were inappropriate at other times.¹³

Take the example of one father, who used to earn decent money as a truck driver but rarely paid his support. "I couldn't guarantee the money was helping my daughter, so I didn't pay," said the man, in a statement representing the feelings of many dead-beat dads. Now, after struggling with alcohol, depression, and some physical disabilities, he possesses low earning potential and is better seen as a dead-

¹²A full summary of these themes can be provided by Brian Miller (608-257-2533)

¹³From an economic standpoint, their financial child support needs to be understood in four broad categories: (1) able to pay, and does; (2) able to pay, but doesn't; (3) unable to pay, but does some; and (4) unable to pay, and doesn't try. Members of #1 and #3 are economically responsible fathers, chiefly distinguished by their *ability* to pay. In the recent push to defend "dead-broke" dads, #3-type men have often been overlooked. Members of #2 and #4 are the irresponsible type that refuses to provide financial support, or they pay "off the books," which is an unreliable, insufficient, and illegal method of supporting their children. Nonetheless, it is very common.

broke dad. However, he is making informal child support payments to the mother of his second child in amounts far exceeding what he paid while gainfully employed.

Informal Support

All of the NCPs interviewed acknowledged that they provided informal support (cash or in-kind)¹⁴ to the custodial families. While these parents argued that such informal support is important, it is given at the discretion of the NCPs and is not credited against their regular order, thereby contributing to a growing arrearage. Indeed, each of the men reported large (>\$1,000) arrearages.

A custodial mother who was interviewed described long stretches in her life when her daughter's NCP actively parented their child, born out of wedlock. Although she never formally collected child support from the father, she considered the informal, emotional support more valuable. When asked about the value of pursuing child support, the woman exclaimed, "It's not worth the bother. It'll just drive him away and the girls are staying with him right now (presumably because she was in the homeless shelter). Wouldn't happen if I got the state to squeeze some extra (money) out of him."

Fathers' Involvement with Children

Anecdotes collected in the interviews coalesce with recent research that suggests that NCPs are most likely to be involved in the first two years of their child's life. The IRP CSDE report¹⁵ shows around 50 percent had frequent contact or lived with a child of age 2 or younger, but that percentage dropped to around 35 percent for all children. For many unmarried fathers, the first few days after a child's birth mark a time of highest commitment and best intentions. Given that the relationship between unmarried parents weakens over time, negotiations over child support terms are thus more critical closer to the birth.

New Partners and Families

Focus group participants noted that the entry of new partners or spouses into either household introduces much difficulty in continuing healthy support for the children. Said one man, "I want to pay my responsibility. But if I pay, then my household has a half income, while her family has her income, my payments and her new boyfriend's income. So they have 2 ½ incomes—and I have half. And they aren't going to get married because that's not advantageous for them. It just kills me."

Recruitment and Participation

NCPs were not eligible to participate in AFDC services, except as part of a two-parent family. They may have been eligible for other employment and training programs, such as JTPA and Vocational Rehabilitation, but not as a targeted group. The TANF program, however, includes NCPs as a target population for services, acknowledging the new consensus that NCPs play a vital role in the lives of low-

¹⁴W-2 Child Support Demonstration Evaluation Final Report, Volume II, *The Well-Being of W-2 Families*, Chapter 8, p. 12. This report showed that the most frequent type of informal support were diapers, clothes or shoes, gifts, and food or groceries. For the two years studied, 1998 and 1999, 48 percent and 44 percent respectively, of all mothers reported at least one informal transfer in the last year and 61 percent and 52 percent, respectively, for mothers with a child under age 2.

¹⁵W-2 Child Support Demonstration Evaluation Final Report, Volume II, *The Well-Being of W-2 Families*, Chapter 8, p. 9.

income children. NCPs are now eligible for a wide array of services, but new problems have arisen: it's difficult to recruit them to participate in the available programs and services and to retain them until they have completed the program.

This trend is not experienced at FaithWorks, a residential program funded by WtW and private foundations. The program is at capacity and has a waiting list for admission. There are various reasons for this. First, FaithWorks offers residential AODA treatment services for up to a year. This program, more than most, meets the critical needs of NCPs who seek AODA services and lack affordable housing. Second, men from that focus group explained that they trust FaithWorks more than the "formal system" for job training or parenting classes. Third, many of FaithWorks staff and case managers serve as role models and offer "tough" assistance to NCPs struggling to meet their support orders. FaithWorks staff cite their connections to area churches and other social service agencies as other reasons for their success in recruiting.

Consensus from both focus groups determined that fatherhood programs should be offered in conjunction with programs that focus on other needs, such as drug therapy, corrections programs, and churches or advocacy groups (e.g., Urban League). The NCPs explained that without a tangible incentive—such as the promise of employment or help with a serious addiction—men would be very resistant to participating in fatherhood programs to "talk about" being better fathers.

Arrears

Past child support due—or arrearages—were a dominant issue discussed at both focus group sessions. At FaithWorks, 17 of the 18 men reported that they had arrears, but only half knew the extent of their debt. The other half didn't know how much they owed, or even to whom ("the state or my kid's mother"). Three had been jailed "for owing" but none of them knew the specific nature of their charge. Arrearages for this group ranged from \$1,000 to \$112,000.

At FaithWorks a heated discussion ensued regarding the interest charged against these debts and whether such debt should be the property of the family or of government. The group's exchange of perspectives and information demonstrated a serious lack of understanding of laws and child support policies, a characteristic likely shared by many low-income NCPs.

Predictably, the topic of amnesty for past-due child support payments aroused much interest. None in either focus group thought that amnesty should be granted across the board, but rather that it should be awarded to fathers after they "show that they are serious." The groups discussed this further and reached the consensus that after a man has paid his full child support for three consecutive months, certain portions of his arrears should be forgiven. This ensures consistent payments to the custodial family and the NCP would benefit by an improved credit rating.

Both focus groups emphasized that there are episodes when the NCP cannot make payments because of unemployment, but that he/she should be able to offer in-kind services to the family during these times. However, they acknowledged the administrative difficulty in tracking and measuring such support.

Information and Child Support Culture

Beyond amnesty, the issue that most compelled the men to talk was the culture and communication within the child support system. Most were frustrated with the “confusing and intimidating” paperwork and did not understand how support orders were determined and how the interest accrues. In response to these concerns, the men repeatedly commented that some sort of ombudsman or advocate to answer questions and advise fathers dealing with the system for the first time would help immensely.¹⁶

Interestingly, although Monthly Account Statements of child support obligations and balances due are sent regularly to all NCPs in Wisconsin who have a verified address, each group cited improving the mailing and notification systems and child support office cultures as more important than leveraging policy initiatives such as health benefits or employment, training, and education. At FaithWorks, the idea of providing health benefits after a certain period of responsible support payments received a tepid response from the men, many of whom accessed free health care offered by Milwaukee County. However, the men at CHAS placed higher priority on this benefit. It seems many of the men either received some sort of health care coverage from an employer or they relied on institutional health care such as hospital emergency rooms. Based on these two focus groups, we cannot generalize about the need for health care among the NCP population.

Top Ten Things You Should Understand in Negotiating the Wisconsin Child Support Enforcement System

The court will proceed with your case if you fail to show up when required for a court hearing.

If you disagree with a decision made by an administrative child support officer, you may have the right to have a judge address the issue.

Know as much as you can about your child support officer—title, power to make a decision, and power to change a decision.

Understand what you are signing.

Understand the consequences of signing a document before signing.

Just because you are the father of a child does not mean you will have visitation with or custody of that child unless you get a court order granting you visitation.

If you can pay, pay consistently even if the amount is below the order amount.

Explain and have written proof of your financial situation so that your child support order can be set at a realistic amount.

Notify the court or your child support caseworker whenever you lose your job or your income is reduced.

Avoiding child support enforcement is likely to make your situation worse.

Source: This information is paraphrased from “Questions and Answers for Noncustodial Fathers” (Center on Fathers, Families, and Public Policy, 2000).

¹⁶The points raised by the men really speak to the federal laws and processes of the child support system, rather than Wisconsin’s system or the people who work within it. The child support system is the largest human service system in the nation, with complex federal regulations, state statutes, state policies, and local court rulings. In 1999, there were almost 16.5 million child support cases, and in Wisconsin there are over 362,000 cases.

B. A National Perspective

The characteristics of NCPs across the nation mirror much of the pattern represented by the Wisconsin focus group participants. The Urban Institute's 1997 National Survey of American Families (NSAF) provides a snapshot of the nation's nonresident fathers—poor and not poor, those that pay child support and those that don't. The category of “nonresident fathers” is more inclusive than just noncustodial fathers, incorporating any father who reported having minor children living outside his home.¹⁷

| NONRESIDENT FATHERS | PAY | DON'T PAY | TOTAL |
|---------------------------|-----|-----------|-------|
| All Incomes | 36% | 64% | 100% |
| Poor (under 100% FPL) | 3% | 21% | 23%* |
| Not Poor (above 100% FPL) | 33% | 43% | 76% |

Source: NASF, Urban Institute, 1997.¹⁸

* Rounding error in the numbers.

The data suggest that there are plenty of fathers who could pay but do not. But about a third of fathers who do not pay (representing one-fifth of all nonresident fathers) have incomes below the federal poverty level.

Attachment 1 focuses on the characteristics of the 21 percent of nonresident fathers who are poor and don't pay child support—recently termed the “dead-broke dads.” They are older—their average age is 36—with incomes around half the poverty level, and most have a high school diploma or less. At the time of the NSAF survey, 31 percent of these poor, nonpaying fathers reported that they worked, on average 39 hours per week, 29 weeks per year. Another 26 percent of the nonpaying poor fathers were institutionalized. For fathers who were not in institutions, barriers to employment included health limitations, limited education, limited work experience, and lack of access to a telephone. Unfortunately, this group is generally disconnected from the social supports that might help them overcome these barriers. Just 3 percent reported having participated in employment and training programs, and only 5 percent reported having taken classes or workshops related to finding work.

To complete the picture of poor fathers who are likely to encounter the welfare and child support systems, we must look closely at the data on “fragile families.” This term *fragile family* is new, describing a family that includes poor unmarried fathers who may or may not reside with the mother of the child, but are nonetheless working with the mother to raise the child.¹⁹ Using NSAF to understand fragile families, we find that 60 percent of fathers of children under age 2 born outside of marriage are either present or involved in the lives of their children.²⁰ Similarly, a study of couples in a Chicago public housing project

¹⁷ A Wisconsin comparison with national figures may be done in the future.

¹⁸ *A Look at Poor Dads Who Don't Pay Child Support*, Elaine Sorensen and Chava Zibman, Urban Institute, September 2000.

¹⁹ These are some of the same fathers NSAF includes in its data on nonresident fathers, but fragile family data also include the cohabiting fathers, resulting in a different mix.

²⁰ *Redirecting Welfare Policy Toward Building Strong Families*, Elaine Sorensen, Ronald Mincy, and Ariel Halpern, Urban Institute, March 2000, pp. 1–2.

found that although 94 percent were not married, two-thirds of the fathers were providing financial support and more than half were actively engaged in the daily tasks of caring for their children.²¹

**RELATIONSHIPS BETWEEN PARENTS OF
NONMARITAL CHILDREN AT TIME OF BIRTH²²**

| | |
|--|-----|
| Parents are cohabiting | 48% |
| Parents are romantically involved, living apart | 35% |
| Parents are not romantically involved | 18% |
| During pregnancy, baby's father gave money or bought things for the baby | 81% |
| Mother wants the father involved in raising the child | 93% |
| Fathers plan to help with the children in the future | 86% |

These data on higher than expected father involvement are also supported and expanded by preliminary findings in the Fragile Families and Child Wellbeing Project (FFCWP),²³ which is looking at 20 U.S. cities with different labor market conditions and varying welfare and child support policies.²⁴ Eighty-one percent of NCPs in the FFCWP study provided financial support or bought things for the baby during their partners' pregnancy and 86 percent plan to help in the future. Eighty-three percent of the unwed fathers cohabited or were romantically involved with the mother at the time of the birth, 68 percent of mothers estimated a 50-50 chance of marrying the child's father, and 34 percent said that marriage was almost certain.²⁵ These results supply reasons for state policymakers and practitioners to recognize that services to this population may lead to greater NCP involvement in child rearing and in family formation than was previously considered likely.

IV. BLUEPRINT FOR THE FUTURE

The findings and perspectives offered in this paper suggest that services to help NCPs find and keep good jobs, as well as programs to improve their relationship and parenting skills, are paradoxically needed and desired, yet when offered are underutilized. Wisconsin has done a good job designing and implementing programs for NCPs, though many NCPs remain disconnected from the system. There are many causes—lack of awareness, mistrust of “the system,” or low confidence in positive outcomes, to name a few.

Legislation is pending before the Wisconsin Legislature to require DWD to “submit to the governor, the joint committee on finance, the Department of Administration, and certain standing committees a

²¹*Restoring Fathers to Families and Communities: Six Steps for Policymakers*, Kathleen Sylvester and Kathy Reich, Social Policy Action Network, 2000, p. 11.

²²Fragile Families and Child Wellbeing Project.

²³*Parents' Relationship Quality and Father Involvement in Fragile Families*, Marcia J. Carlson and Sara McLanahan, Princeton University, Bendheim-Thoman Center for Research on Child Wellbeing, Working Paper #00-09-FF. Milwaukee, Wisconsin data will be available in Spring 2001.

²⁴Milwaukee is one of FFCWP study sites, though data are not yet available.

²⁵*Fatherhood: A Look at the Numbers*, Social Policy Action Network, May 2000, p. 3

statewide plan for providing employment and support services to low-income, noncustodial parents.”²⁶ This prompting by the Legislature is reminiscent of the legislation that instigated planning for the replacement of AFDC in Wisconsin, a process that culminated in the design and implementation of Wisconsin Works.

Beginning with the end in mind, the following indicators may be useful guideposts to gauge success:

- increased earnings by NCPs
- increased paternity establishment
- increased establishment of orders for support
- increased child support collected
- increased number of children growing up with access to both parents
- reduced incidents of domestic violence in families

The following subsections describe three broad strategies for policymakers to consider in expanding and revising their NCP agenda:

- job connections, including parenting instruction and other support (the focus group findings revealed that employment is the best hook for life skills training),
- an expanded child support system to combine services with enforcement, and
- the fostering of two-parent families.

Following a brief description of each issue is a set of framing questions that is intended to guide Wisconsin policymakers as they determine the next steps in state fatherhood and NCP reforms.

A. Job Connections

Much of the new national research indicates that joblessness or low income, rather than lack of commitment, is a key reason behind men’s failure to pay child support. The Center for the Study of Social Policy and other researchers find that noncustodial fathers are more involved with their children when they can provide financial support, but can be frustrated or ashamed when economic stresses increase and may cease contact.²⁷ The shame of unemployment, lack of sufficient employment, and feelings of incompetence are cited as leading reasons that fathers become disengaged from their children.²⁸

The CSDE study reported that there are many Wisconsin fathers who fall in this un- or underemployed category. Based on a cross-match with the Unemployment Insurance (UI) wage records,²⁹ the CSDE found that approximately 60 percent of the noncustodial fathers had reported earnings in 1998 and 1999, with a mean income of around \$12,000 each year.³⁰ A related survey of these fathers found that

²⁶Legislative Reference Bureau; 2001 Senate Bill 77; 2001–2002 Legislature

²⁷*Fatherhood: A Look at the Numbers*, Social Policy Action Network, May 2000, p. 2.

²⁸“Building Services to Help Fathers,” *Connecting Low-Income Fathers and Families*, NCSL, p. 1.

²⁹The UI wage records do not contain self-employment nor other employment including the federal government, certain nonprofits, and out-of-state employment.

³⁰*W-2 Child Support Demonstration Evaluation Final Report, Volume II, The Well-Being of W-2 Families*, Chapter 7, p. 15.

approximately 80 percent were employed, with a mean income of about \$14,500 in 1998 and about \$17,400 in 1999.³¹

Low-income fathers need the same kind of employment and family support services that are made available to mothers who are trying to move from welfare to work—job search assistance, education and job training programs, and support in keeping a job. Yet these fathers may have less access to or do not choose to access support services. For example, the NSAF shows that only 3 percent of nonresident, nonpaying fathers interviewed had participated in formal employment and training programs.

As demonstrated in Section II of this paper, Wisconsin is a national leader in providing employment and training services to NCPs. However, the programs are not realizing their full potential and new solutions need to be developed to engage and retain NCPs in the programs. The following questions are intended to prompt a discussion of how to create a new generation of reforms that meet such challenges.

Framing Questions

1. How can the state increase recruitment and engagement of NCPs in the existing employment and training programs?

Ideas to increase recruitment include utilizing nontraditional partners (Healthy Start, WIC, Head Start, Urban League, the Health Department, faith-based organizations, and probation and parole) as access points to connect low-income fathers with services. Also, mothers could participate in the recruitment process for fatherhood services, as is done in the Partners for Fragile Families demonstration program.

Although the state has two programs with extensive resources targeted to NCPs—WtW and WAA—they are underutilized by this population. The state should consider various tools to recruit NCPs for participation, such as incentives like emergency housing, access to visitation, and reductions in state-owed arrears.

The Children First program, with its requirement of a court order for enrollment and increased funding this last year, has begun to serve as a feeder program for the WtW and WAA programs. The number of NCPs enrolled in Children First jumped from 1,814 in 1988 to 4,958 in the year 2000.

We must continue to learn from Children First about what works in serving NCPs and adjust services accordingly to make it more possible for NCPs to support their children both financially and emotionally.

2. What are Wisconsin's best practices that can be replicated or used as catalysts for new strategies?

Wisconsin has implemented various initiatives that in the future will provide a basis for observing and testing best practices at the state level. These include Team Parenting, Child Support Pass-Through Demonstration, and the targeting of NCPs through WtW, WAA, and Community Reinvestment programs. However, the state may be interested in testing other initiatives that address certain target groups at risk of family breakup, such as those with significant disabilities or cultural issues owing to relocation from a foreign nation.

³¹W-2 *Child Support Demonstration Evaluation Final Report, Volume II, The Well-Being of W-2 Families*, Chapter 7, p. 6, Table II.7.2.

3. How can Wisconsin prepare the growing number of exoffenders, who are returning to local communities at unprecedented levels, to succeed in the workplace?

Some of the ideas the state has developed to date include WtW programs that work with correctional facilities to assist NCP offenders in returning to the community. Two examples are the Nontraditional Opportunities for Work (NOW) project in Milwaukee, and a WtW formula grant project in Green Bay. DWD and the state Department of Corrections (DOC) have established a task force to begin discussing issues of employment for correctional clients, including NCPs, and to identify new strategies. As mentioned earlier, the review of the NOW project currently underway by Mathematica should provide new learning for making such programs more effective.

4. How can state and local programs use employment as the catalyst to get fathers involved with programs, but offer other types of services—like peer support, counseling, anger management and parenting—that help fathers develop skills to keep jobs and build relationships with their families?

Peer Support is a particularly critical program component. Men rarely have an acceptable social network for discussing difficult issues in a productive and positive atmosphere with other men who have similar problems. Options that could be pursued include offering these services at work sites after hours and through community centers that offer training. Traditional employment and training providers would need to refocus how they operate, since they do not typically offer such services.

5. Can the state avoid incentive structures that discourage providers from serving the most difficult members of the target population?

Performance-based contracting may establish outcomes in a manner that discourages providers from taking chances in working with the hard to serve. For example, under Title I of the Workforce Investment Act states can be financially penalized for not placing people in jobs at an agreed-upon level. Performance standards and incentives need to measure progress as well as outcomes when working with hard-to-serve clients such as poor unwed fathers who desperately need services.³²

6. Can the state offer health care coverage for low-income NCPs, for example, through Medicaid or private foundation funding?

Though many NCPs sorely need health care, no state program through the Department of Health and Family Services (including BadgerCare) offers such benefits for low-income working or nonworking NCPs. It would be useful to test the impact of providing health care coverage to NCPs or to their children, either through a Medicaid waiver or a privately funded initiative, to determine how it affects their workforce participation.

7. Does the state effectively deliver fatherhood services as part of programs for NCPs?

Increasing attention is given to the work skills and supportive services necessary for low-income parents to succeed in the workplace, but it is less clear that similar priorities are being given to family connections.

³²*Restoring Fathers to Families*, Sylvester and Reich, p. 28.

B. Child Support—What’s Next?

Despite the research showing a link between fathers as nurturers and fathers as economic providers, the federal child support laws and regulations still view child support enforcement as the main programmatic tool to promote responsible fatherhood.³³ The federal government’s strict focus on collections ignores the noneconomic contributions that fathers make to the well-being of their children and does little to encourage fathers in their role as nurturers, disciplinarians, mentors, moral instructors, or skill coaches.³⁴ Currently federal child support laws, including incentive payments, only reward states for collections and offer no incentives, other than demonstration grants, for state or local child support agencies to offer workforce solutions for low-income men.

Child support enforcement alone is an insufficient means to effectively meet all the needs of low-income children in single-parent households. Despite tougher enforcement policies, national child support collection rates are up only slightly—the U.S. Department of Health and Human Services reports that merely 22 percent of parents on the federal child support rolls made support payments in 1997, compared to 18.3 percent in 1993.³⁵ The collection rates in welfare cases are just 14 percent.³⁶ Further, almost half of single parents (divorced and never married) do not have a child support order in place, and therefore the NCP has no legal obligation to support the child.³⁷ For FFY 1999, Wisconsin compares favorably to national trends, as noted below:

- Wisconsin’s collection rate for current support collected and distributed was 77 percent as compared to the 53 percent national average³⁸.

Wisconsin ranks fourth nationally in the amount of child support collected per full-time employee (FTE)—\$483,215 per FTE as compared to the \$277,818 national average among employees who owe child support. More recent data show that Wisconsin’s child support enforcement continues to excel:

Wisconsin’s Critical Indicators for Child Support

| Indicator | FFY 1999 Rate | FFY 2000 Rate | % Increase FFY99 to FFY00 |
|-------------------------------|---------------|---------------|------------------------------|
| Paternity Establishment | 72.6% | 79.1% | 6.5% |
| Court Order Establishment | 71.1% | 76.6% | 5.5% |
| Total Collections (all cases) | \$831,542,276 | \$876,907,974 | 5.5% |

³³*Restoring Fathers to Families*, Sylvester and Reich, p. 31.

³⁴“Making Room For Daddy: Fathers, Marriage and Welfare Reform,” Wade Horn and Isabel V. Sawhill (to appear in *The New World of Welfare: Shaping a Post-TANF Agenda for Policy*, pp. 3–4).

³⁵*Restoring Fathers to Families*, Sylvester and Reich, p. 31.

³⁶“Critics Blame the Child-Support System for Encouraging Fatherlessness,” *CQ Researcher*, June 2, 2000, p. 485.

³⁷*Restoring Fathers to Families*, Sylvester and Reich, p. 31.

³⁸It is sometimes difficult to compare Wisconsin collection figures nationally because the state uses percentage-expressed orders. That is, Wisconsin allows orders to be set based on a percentage of income rather than at a fixed dollar amount. Wisconsin’s policy is that local child support agencies must reconcile these orders annually to assure that all income is reported. When orders are not reconciled, the percentage collected may be inflated.

Although child support enforcement is not the only method to promote child well-being, child support payments are indeed critical to low-income families who have left cash benefit programs and who are seeking to maintain economic self-sufficiency. The National Survey of American Families in 1997 revealed that for low-income families who receive child support payments, those payments constituted approximately 25 percent of household income, a sizable portion of their financial resources. However, only 29 percent of children nationally receive even a *partial* child support payment.³⁹ Although the state of Wisconsin again compares favorably to national figures—one in every three children in Wisconsin receive the *full* child support payment owing—there remain 91,961 NCPs in the state who owe \$642,314,825 in *current* support to their families (nearly \$7,000 per NCP in current support custodial arrears).

The following questions are posed to determine how best to navigate the present child support system, and what state and federal changes are needed to create an expanded child support services model in Wisconsin.

Framing Questions

1. What, if any, federal laws prohibit Wisconsin from developing expanded child support services, that is, enforcement plus services such as access and visitation, conflict resolution, and parenting skills?

Federal regulations for child support enforcement prohibit reimbursing states with Title IV-D funds, unless waived by the federal OCSE as in the Team Parenting and the PFF projects, for costs not related to locating absent parents, establishing paternity, establishing court orders for support, enforcing child support orders, and receiving and disbursing payments. But employment and training services, mediation and visitation enforcement services, and counseling are all allowable costs under federal TANF regulations. There is the potential to package TANF funds with funds limited to employment and training to maximize the use of both.

2. What is the fiscal impact of “forgiving” the state’s portion of child support arrearages owed by NCPs, and are debt leverage programs such as the ones that Iowa, Maryland, and Montana administer cost-effective?

As of June 30, 2000, NCPs owed Wisconsin \$773,379,528 for old AFDC and TANF cash benefits. If only 50 percent of the arrearages were collected, Wisconsin’s share would be \$158,542,803 and the federal share would be \$228,146,961. In addition, any forgiveness of collected state-owed arrearages during the 2001–03 budget biennium could be used for TANF maintenance-of-effort spending during that period.

Some states have adopted the following debt leverage policies:

- Forgive or decrease proportionally the amounts of AFDC/TANF-related child support debt owed to the state by NCPs who participate in programs designed to increase earnings, improve parenting skills, and improve financial literacy through consumer credit counseling, who demonstrate compliance with payment plans, or who become employed.
- Suspend or forgive child support debt owed to the state or federal government when parents reunite or marry.

³⁹Urban Institute, *Child Support Offers Some Protection Against Poverty*

3. How many of the state's NCPs are *dead-broke* dads rather than *dead-beat* dads?

If Wisconsin has the same proportion of poor NCPs reported in the 1997 Urban Institute national figures, approximately 82,100 of the state's 342,000 NCPs would have incomes under 100 percent of the federal poverty level. Of the possible 82,100 low-income NCPs, approximately 71,000 may be referred to as "dead-broke" rather than "dead-beat".

4. Are there steps Wisconsin can take to intervene earlier in the lives of NCPs, before these fathers become disconnected from the family and build up enormous child support debt?

There are limits. Child support enforcement agencies may not intervene in an NCP's life unless he/she has a child receiving public assistance, or a partner who applied for Title IV-D child support enforcement services. However, NCPs may apply for child support enforcement services; this occurs most often after the NCP voluntarily signs a Paternity Acknowledgement (PATH) at a hospital after the birth of the child. Programs such as PATH could possibly be expanded to include new parent skills to assist a new father in the care of the child. Also, TANF service providers may provide early prevention services to encourage NCPs to stay involved in the lives of their children.

5. Is there any way to facilitate greater collaboration among local service providers, child support enforcement agencies, and court systems to fund liaisons to work directly with NCPs to promote responsible fatherhood?

The two demonstration projects funded by OCSE to provide liaison services for NCPs provide an opportunity to test the utility of these programs and perhaps expand them in the future. The state could look for other funding for similar coordination strategies.

Nearly 50 percent of low-income fathers (<200 percent FPL) have criminal records.⁴⁰ There is thus a tremendous need for legal services to help low-income NCPs overcome barriers to employment such as suspended driver's licenses, legal action for failing to pay child support, and unpaid traffic tickets, including fines and late fees. The national competitive WtW grant given to the Milwaukee Workforce Development Board is directed toward this purpose and its findings will offer valuable information for policymakers.

Balancing cost-recovery efforts with strategies to help fathers provide financial support and connect with the family will increase child support for families, improve child support agency performance, and help meet federal performance standards. Yet even optimum performance of the child support system will never ensure that children of absent parents will receive all the support necessary to prepare for a healthy future.

The IRP CSDE⁴¹ study showed that the average amount paid by noncustodial fathers was less than \$1,000 annually. Although this figure likely reflects the low-income status of many NCPs, it is notable that these child support collections make a substantial difference in the lives of low-income families. However, two married adults working at minimum wage would earn \$21,000 annually (after taxes), enough for a married couple with up to three children to live above the federal poverty threshold. Research further informs us that children in two-parent families consistently fare better on economic and social indicators.

⁴⁰*Restoring Fathers to Families*, Sylvester and Reich, p. 7.

⁴¹*W-2 Child Support Demonstration Evaluation Final Report, Effects of the Experiment, Volume I*, p. 37, Table 1.4.1. The experimental group paid \$798 in 1998 and \$946 in 1999. The control group paid \$770 in 1998 and \$891 in 1999.

C. Two-Parent Family Formation

In spite of the research indicating the positive correlation between two-parent households and child well-being, there is a heated debate about whether marriage promotion belongs in the welfare reform arena. Some claim that marriage is a middle-class institution disconnected from the difficult reality of life for the inner-city poor. Others claim that it is a moral issue inappropriate for public officials to comment on, let alone encourage one way or another. These arguments fail to acknowledge that government does in fact comment on the value of marriage in its policies and in the signals it gives, either intentionally or unintentionally.

Numerous public-policy disincentives to family formation show up in research, particularly in eligibility for income and benefits programs. Traditional welfare policy, child support enforcement laws, and public housing policies end up unintentionally pushing young unwed parents apart.⁴² Since two earners have a higher family income than one, there are built-in disincentives to family formation in all income-tested programs—from cash assistance and Medicaid to public housing and the Earned Income Tax Credit. With almost half of single-mother families today headed by a never-married mother,⁴³ and so many fragile families in the midst of a family-formation process not yet complete, policy should not be so structured that the mother loses money if the father remains involved in the family. Otherwise, when the father's income is low and unstable, government support looks like the better bet.

TANF targets assistance to low-income children, who often live in single-parent families. Many suggest that this aspect of TANF may create an incentive for poor families to become or remain single-parent families in order to qualify for benefits.⁴⁴ Although Wisconsin's W-2 program was designed so as not to discourage low-income, two-parent families from participating, research shows that such families are much less likely to get TANF services, despite eligibility. Since only 10 percent of poor children living with both their natural parents receive TANF, compared with 40 percent of those living with a single parent, this is a serious issue.⁴⁵

This policy reality represents a major gap relative to the TANF goals, including one that calls upon states to "Encourage the formation and maintenance of two-parent families." The first four years of welfare reform have shown that although the legislative language may have served an important signaling purpose, it was not translated into meaningful policy or action. Although the work provisions of TANF were widely embraced, the law's moral statements of marriage and opposition to unwed births received far less embrace.

The wisdom of a dual strategy addressing jobs and values is reinforced by research showing that the more encouraging a couple's economic situation, the more likely they are to get married. In fact, research

Relationship-Building Services That Can Be Funded with TANF Money:

- Relationship education
- Team parenting workshops
- Parenting classes for new parents
- Marriage/relationship mentor couples
- Mediation
- Relationship counseling

Source: "Building Services to Help Fathers," *Connecting Low-Income Fathers and Families*, NCSL, p. 4.

⁴²"Fatherhood Matters," *American Prospect Online*, Eric Bryant Rhodes, March 13, 2000, pp. 5–6.

⁴³*Redirecting Welfare Policy*, Sorensen, Mincy, and Halpern, p. 1.

⁴⁴*Redirecting Welfare Policy*, Sorensen, Mincy, and Halpern, pp. 2–3.

⁴⁵*Redirecting Welfare Policy*, Sorensen, Mincy, and Halpern, p. 3.

shows that the availability of a suitable potential husband, primarily defined as employed and not in jail or prison, has a greater effect on marriage and nonmarital fertility than welfare benefit levels.⁴⁶

The state of Wisconsin, as already noted, is a leader in job training and placement services for NCPs. The following questions are posed to help policymakers determine if similar vigor should be applied to an agenda encouraging the formation of two-parent families.

Framing Questions

1. Should Wisconsin policymakers promote the formation of two-parent families as part of DWD's workforce programs?

This is one of the four purposes of TANF, with funding opportunities for visitation and mediation services as well as relationship counseling. The state has removed the disincentive to two-parent families that existed under AFDC; W-2 and Community Reinvestment funds are to be directed toward this purpose when funds become available under the current contract.

TANF funds may be used to build cultural norms around marriage by funding public awareness campaigns about the importance of marriage and the skills necessary to form and sustain healthy marriages and by incorporating marriage as an option in curriculums for parenting programs.

2. Should Wisconsin expand pregnancy prevention and work-development services focused on youth?

The current collaboration includes two projects, and could be expanded. The Adolescent Pregnancy Prevention and Pregnancy Services Board provide grants to organizations to offer adolescent pregnancy prevention programs and pregnancy services including health care, education, counseling, vocational training, social, and recreational services. Parents or parental figures must be involved in programs to promote positive family relationships. DHFS administers the Brighter Futures program, which DWD participated in developing. It awards TANF-funded grants for the prevention of youth violence, substance use and abuse, child abuse and neglect, and nonmarital pregnancy, and for the promotion of adolescent self-sufficiency.

Some Community Youth grants and Community Reinvestment funds have done some pregnancy prevention initiatives but have focused more on broader efforts to develop low-income youth for the world of work. Such initiatives can provide an opportunity for youth to learn about the importance of two-parent families and the financial and emotional needs of their future children. The Governor's 2001–03 biennial budget recommendations do not include additional funding for Community Youth grants. However, W-2 agencies that meet the performance benchmarks will have community reinvestment funding for continued experimentation with such initiatives.

D. Funding, Authority, and Flexibility: Putting It All Together

Amid the debate regarding approaches to NCP reforms, one thing is clear: the time to act is now. Welfare reform has created both the opportunity and funding to revise child and income support policies to reflect

⁴⁶“Making Room for Daddy,” Horn and Sawhill, p. 14.

the realities of fragile families and low-income nonresident fathers. With PRWORA, there is legislative authority to promote marriage, fatherhood, and family formation, and provide employment and training programs.

One illustration of this new flexibility is a state's ability to revise and simplify eligibility requirements for NCPs to participate in TANF-funded programs without federal approval.

Further, we have a great deal of new information about who needs help and what interventions work best. A 1995 memorandum from President Clinton directed federal agencies to include information on fathers in their research programs, and grant-making foundations have poured millions of dollars into research and program development related to responsible fatherhood.⁴⁷ This type of research should be highlighted in the W-2 Management and Evaluation Project (MEP) agenda.

As demonstrated throughout this paper, Wisconsin boasts much success in the domain of policies and services for NCPs, and the praise it has received in the national fatherhood literature is evidence that it is poised for continued improvement:

- The Wisconsin child support system consistently ranks among the most highly performing operations in the country, and its W-2 pass-through initiative is praised as among the most innovative new strategies in the field.
- The state is positively cited for using WtW formula grants to serve NCPs with an employment focus, and for its aggressive recruitment plans for informing fathers about available services.

Jerry Hamilton, Ron Mincy, Irv Garfinkel, Wade Horn, Larry Mead, and the Hudson Institute—all with direct or indirect ties to Wisconsin—show up frequently in the current fatherhood literature. These assets should be tapped to help frame the next phase of welfare policy, giving fatherhood and family formation goals equal status with employment for poor mothers.

The three emerging strategies posed in this paper—job connections for low-income men, broadening child support to include more services in the future, and promoting two-parent families—appear to be incongruous, if not competitive. Governors may see themselves as forced to contemplate a difficult choice when launching a fatherhood agenda: whether to support families or to support marriage. The idea that such a choice is necessary is itself unwise.

One of the best-selling management books of the 1990s, James Collins's *Built to Last*, reports on the characteristics of the American companies that have thrived for over a half-century. One of the leading traits exhibited by these companies was that they favored the "Genius of the AND" over the "Tyranny of the OR." Translated, these companies embraced seemingly contradictory premises (e.g., high profit and employee focus) in pursuit of corporate excellence.

I propose the same posture be taken with Wisconsin NCP policies. To be sure, it will be a delicate balancing act to meet the needs of low-income men without compromising the much needed child support for low-income families, or conversely to promote two-parent family formation without stigmatizing children who reside in single-parent households. But to select one approach over the other is to settle for a short-term solution at the expense of long-term change.

⁴⁷"Fatherhood Matters," *American Prospect Online*, Eric Bryant Rhodes, March 13, 2000, p. 4.

To increase their preparedness to meet these challenges effectively, DWD may consider tapping some of the nation's leading experts on NCPs and fatherhood, many of whom are already committed to helping craft the next round of social policy reforms in Wisconsin. W-2 National Technical Advisory Committee members Ron Mincy ("fragile families" thought leader) and Larry Mead (national expert in job training programs) have both expressed a willingness to assist the state's W-2 and NCP efforts. National Fatherhood Initiative president Wade Horn (now an Assistant Secretary at HHS) is a nationally renowned advocate of marriage strategies, who has committed his assistance to the Governor's fatherhood initiative. The Hudson Institute has also focused on these issues in the last few years.

What's a government to do? Meeting the needs of NCPs and unemployed or underemployed men falls within the existing purview of DWD, as the administrator of the state's child support job training systems. Similarly, the Wisconsin Works program has already gone far toward meeting low-income families' economic and family needs. Consequently, the question is not *whether* DWD will address the challenges presented in this paper, but rather *how effective* they will be in doing so. DWD and state policymakers would do well to treat this opportunity to chart a new course for low-income families, including parents who reside outside the household, with the same sense of urgency that accompanied the welfare replacement planning process.

SIX STEPS FOR POLICYMAKERS

1. *Teach men to be good parents*
2. *Help fathers improve relationships with their children's mothers*
3. *Remove barriers to work for low-income parents*
4. *Use federal funds to fund fathers' programs*
5. *Make the child support system work for families*
6. *Campaign to reinforce the message that fathers matter*

Source: *Restoring Fathers to Families and Communities: Six Steps for Policymakers*, Kathleen Sylvester and Kathy Reich, Social Policy Action Network, 2000.

ATTACHMENT 1

| POOR NONRESIDENT FATHERS WHO DON'T PAY CHILD SUPPORT | | |
|--|--|--|
| <p>Black—41% White—39% Hispanic—17% Other—4%</p> <p>Average Age—36 Average Age of Child/Children—9 years Live with One or More of Their Own Children—37%</p> <p>Finished High School—56% No High School Diploma—42% College Grad—2% Participated in Employment & Training—3% Has Taken Classes or Workshops to Find Work—5%</p> <p>Total Family Income—\$6,800 Percent of Poverty Level—53%</p> <p>Personal Earnings as Percent of Income—46% AFDC, SSI, General or Emergency Assistance as Percent of Income—17% Soc. Sec, UI, Worker's Comp, or Veterans Assistance as Percent of Income—10%</p> | | |
| <p>Working—31% Average Weeks Worked—29/yr Average Hours Per Week—39 Average Earnings in '96—\$5,570</p> | <p>Not Working/Not Institutionalized—43% Looking for Work—16%</p> | <p>Institutionalized—26% of all poor fathers who don't pay child support.</p> |
| <p>Barriers to Employment: No High School Diploma—42% Lack Recent Work Experience—33% Health Limitations—42% No Telephone Service—32% Lack of English Language Skills—10% Transportation Barriers—6% Housing Instability—5%</p> <p>Participation in Safety Net Programs: AFDC—<1% (living with their own <i>new</i> children) FS—16% SSI—9% MA—25-26%</p> <p>No Health Insurance—60% Private Health Insurance—12%</p> | | |

Source: National Survey of American Families, *Urban Institute*, 1997.